

**BEFORE THE  
CALIFORNIA BOARD OF ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS  
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**BOLIVAR EDUARDO RODRIGUEZ**  
8405 Pershing Drive, #301  
Playa Del Rey, CA 90293

Certified Public Accountant  
Certificate No. 33631

And

**STUMP DAVIS GREENBERG  
ACCOUNTANTS INC.,**  
BOLIVAR EDUARDO RODRIGUEZ,  
Sole Owner  
8405 Pershing Drive, #301  
Playa Del Rey, CA 90293

Certified Public Accountancy  
Corporation No. 1607

Respondent.

Case No. AC-2009-37

OAH No. L-2011031328

**DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the California Board of Accountancy, Department of Consumer Affairs, as its Decision in this matter.

This Decision shall become effective on Dec. 28, 2011.

It is so ORDERED Nov. 28, 2011.

  
\_\_\_\_\_  
FOR THE CALIFORNIA BOARD OF  
ACCOUNTANCY  
DEPARTMENT OF CONSUMER AFFAIRS

1 KAMALA D. HARRIS  
Attorney General of California  
2 GREGORY J. SALUTE  
Supervising Deputy Attorney General  
3 SUSAN MELTON WILSON  
Deputy Attorney General  
4 State Bar No. 106902  
300 So. Spring Street, Suite 1702  
5 Los Angeles, CA 90013  
Telephone: (213) 897-4942  
6 Facsimile: (213) 897-2804  
E-mail: Susan.Wilson@doj.ca.gov  
7 *Attorneys for Complainant*

8 **BEFORE THE**  
**CALIFORNIA BOARD OF ACCOUNTANCY**  
9 **DEPARTMENT OF CONSUMER AFFAIRS**  
10 **STATE OF CALIFORNIA**

11 In the Matter of the Accusation Against:

Case No. AC-2009-37  
OAH No. L-2011031328

12 **BOLIVAR EDUARDO RODRIGUEZ**  
13 8405 Pershing Drive, #301  
14 Playa Del Rey, CA 90293

**STIPULATED SETTLEMENT AND  
DISCIPLINARY ORDER**

15 Certified Public Accountant  
Certificate No. 33631

16 And

17 **STUMP DAVIS GREENBERG**  
**ACCOUNTANTS INC.,**  
18 **BOLIVAR EDUARDO RODRIGUEZ,**  
Sole Owner  
19 8405 Pershing Drive, #301  
20 Playa Del Rey, CA 90293

21 Certified Public Accountancy  
Corporation No. 1607

22 Respondents.

23  
24 IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-  
entitled proceedings that the following matters are true:

25 PARTIES

26 1. Patti Bowers (Complainant) is the Executive Officer of the California Board of  
27 Accountancy. She brought this action solely in her official capacity and is represented in this  
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1 matter by Kamala D. Harris, Attorney General of the State of California, by Susan Melton  
2 Wilson, Deputy Attorney General.

3 2. On or about December 4, 1981, the California Board of Accountancy issued Certified  
4 Public Accountant Certificate No. 33631 to Bolivar Eduardo Rodriguez (Respondent Rodriguez).  
5 The Certified Public Accountant Certificate was in full force and effect at all times relevant to the  
6 charges brought in Accusation No. AC-2009-37 and will expire on March 31, 2012, unless  
7 renewed.

8 3. On or about January 20, 1981, the California Board of Accountancy issued Certified  
9 Public Accountancy Corporation No. 1607 to Stump Davis Greenberg Accountants Inc.  
10 (Respondent Corporation), with Bolivar Eduardo Rodriguez (Respondent Rodriguez) as sole  
11 shareholder of the corporation effective January 15, 1987. The Certified Public Accountancy  
12 Corporation was in full force and effect at all times relevant to the charges brought in Accusation  
13 No. AC-2009-37 and will expire on January 31, 2013, unless renewed.

14 4. Respondents Bolivar Eduardo Rodriguez (Respondent Rodriguez) and Stump Davis  
15 Greenberg Accountants Inc.(Respondent Corporation) are both represented in this proceeding by  
16 attorney Barton DeBolt, of the law firm Horton & DeBolt, whose address is: 23945 Calabasas  
17 Road, Suite 207, Calabasas, CA 91302

#### 18 JURISDICTION

19 5. Accusation No. AC-2009-37 was filed before the California Board of Accountancy  
20 (Board) , Department of Consumer Affairs, and is currently pending against Respondents. The  
21 Accusation and all other statutorily required documents were properly served on both  
22 Respondents on April 2, 2010. Respondents timely filed their timely Notice of Defense contesting  
23 the Accusation. A copy of Accusation No. AC-2009-37 is attached as **Exhibit A** and incorporated  
24 herein by reference.

#### 25 ADVISEMENT AND WAIVERS

26 6. Respondent Rodriguez, on behalf of himself and as sole shareholder of Respondent  
27 Corporation, has carefully read, fully discussed with counsel, and understands the charges and  
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1 allegations in Accusation No. AC-2009-37. Respondent has also carefully read, fully discussed  
2 with counsel, and understands the effects of this Stipulated Settlement and Disciplinary Order.

3 7. Respondent Rodriguez, on behalf of himself and as sole shareholder of Respondent  
4 Corporation, is fully aware of his legal rights in this matter, including the right to a hearing on the  
5 charges and allegations in the Accusation; the right to be represented by counsel at his own  
6 expense; the right to confront and cross-examine the witnesses against him; the right to present  
7 evidence and to testify on his own behalf; the right to the issuance of subpoenas to compel the  
8 attendance of witnesses and the production of documents; the right to reconsideration and court  
9 review of an adverse decision; and all other rights accorded by the California Administrative  
10 Procedure Act and other applicable laws.

11 8. Respondent Rodriguez, on behalf of himself and as sole shareholder of Respondent  
12 Corporation, voluntarily, knowingly, and intelligently waives and gives up each and every right  
13 set forth above.

#### 14 CULPABILITY

15 9. Respondent Rodriguez, on behalf of himself and as sole shareholder of Respondent  
16 Corporation understands and agrees that the charges and allegations in Accusation No. AC-  
17 2009-37, if proven at a hearing, constitute cause for imposing discipline upon both Certified  
18 Public Accountant Certificate Number 33631 and Certified Public Accountancy Corporation  
19 Number 1607.

20 10. For the purpose of resolving the Accusation without the expense and uncertainty of  
21 further proceedings, Respondent Rodriguez, on behalf of himself and as sole shareholder of  
22 Respondent Corporation agrees that, at a hearing, Complainant could establish a factual basis for  
23 all charges in the Accusation, and that Respondent hereby gives up the right to contest those  
24 charges in relation to both Certified Public Accountant Certificate Number 33631 and Certified  
25 Public Accountancy Corporation Number 1607.

26 11. Respondent agrees that both Certified Public Accountant Certificate Number 33631  
27 and Certified Public Accountancy Corporation Number 1607 are subject to discipline and agrees  
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1 to be bound by the Board's Disciplinary Order with reference to both licenses, as set forth in the  
2 Disciplinary Order below.

3 CONTINGENCY

4 12. This stipulation shall be subject to approval by the California Board of Accountancy.  
5 Respondent Rodriguez, on behalf of himself and as sole shareholder of Respondent Corporation  
6 understands and agrees that counsel for Complainant and the staff of the California Board of  
7 Accountancy may communicate directly with the Board regarding this stipulation and settlement,  
8 without notice to or participation by Respondent or his counsel. By signing the stipulation,  
9 Respondent understands and agrees that he may not withdraw his agreement or seek to rescind the  
10 stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this  
11 stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of  
12 no force or effect, except for this paragraph, it shall be inadmissible in any legal action between  
13 the parties, and the Board shall not be disqualified from further action by having considered this  
14 matter.

15 13. The parties understand and agree that facsimile copies of this Stipulated Settlement  
16 and Disciplinary Order, including facsimile signatures thereto, shall have the same force and  
17 effect as the originals.

18 14. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an  
19 integrated writing representing the complete, final, and exclusive embodiment of their agreement.  
20 It supersedes any and all prior or contemporaneous agreements, understandings, discussions,  
21 negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary  
22 Order may not be altered, amended, modified, supplemented, or otherwise changed except by a  
23 writing executed by an authorized representative of each of the parties.

24 15. In consideration of the foregoing admissions and stipulations, the parties agree that  
25 the Board may, without further notice or formal proceeding, issue and enter the following  
26 Disciplinary Order:

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1           5.     **Practice Investigation.** Respondents shall be subject to, and shall permit, practice  
2 investigation of the Respondents' professional practice. Such a practice investigation shall be  
3 conducted by representatives of the Board, provided notification of such review is accomplished  
4 in a timely manner.

5           6.     **Comply With Citations.** Respondents shall comply with all final orders resulting  
6 from citations issued by the Board of Accountancy.

7           7.     **Tolling of Probation For Out-of-State Residence/Practice.** In the event  
8 Respondent Rodriguez should leave California to reside or practice outside this state, Respondent  
9 must notify the Board in writing of the dates of departure and return. Periods of non-California  
10 residency or practice outside the state shall not apply to reduction of the probationary period, or  
11 of any suspension. No obligation imposed herein, including requirements to file written reports,  
12 reimburse the Board costs, or make restitution to consumers, shall be suspended or otherwise  
13 affected by such periods of out-of-state residency or practice except at the written direction of the  
14 Board.

15          8.     **Cost Reimbursement.** Respondents jointly and severally shall reimburse the Board  
16 a total of \$12,000.00 for its investigation and prosecution. Payment shall be made in two equal  
17 installments; with the first installment (in the amount of \$6,000.00) due within thirty (30) days  
18 after the effective date of the Board's decision; and the second installment (in the amount of  
19 \$6,000.00) due six (6) months after the effective date of the Board's decision.

20          9.     **Violation of Probation.** If Respondents violate probation in any respect, the Board,  
21 after giving Respondents notice and an opportunity to be heard, may revoke probation and carry  
22 out the disciplinary order that was stayed. If an accusation or a petition to revoke probation is  
23 filed against either Respondent during probation, the Board shall have continuing jurisdiction  
24 until the matter is final, and the period of probation shall be extended until the matter is final.

25          10.    **Completion of Probation.** Upon successful completion of probation, Respondents'  
26 license will be fully restored.

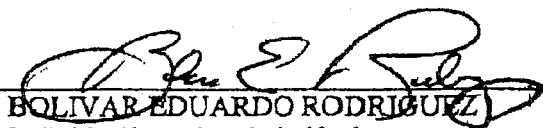
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ACCEPTANCE


I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully discussed it with my attorney, Barton DeBolt. I am the sole shareholder and authorized representative of Respondent Stump Davis Greenberg Accountants Inc., a corporation. I understand the stipulation and the effect it will have on both my individual Certified Public Accountant Certificate 33631, and Certified Public Accountancy Corporation license 1607. As an individual licensee and on behalf of Respondent Stump Davis Greenberg Accountants Inc., I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the California Board of Accountancy.

DATED: 10/24/2011

  
BOLIVAR EDUARDO RODRIGUEZ  
Individually and on behalf of  
STUMP DAVIS GREENBERG ACCOUNTANTS  
INC.  
Respondents

I have read and fully discussed with Respondent Bolivar Eduardo Rodriguez as an individual and in his capacity as authorized representative of Respondent Stump Davis Greenberg Accountants Inc., a corporation, the Terms and Conditions and other matters contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and content.

DATED: 10-24-11

  
BARTON DEBOLT  
Attorney for Respondents



ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the California Board of Accountancy of the Department of Consumer Affairs.

Dated: October 24, 2011

Respectfully submitted,

KAMALA D. HARRIS  
Attorney General of California  
GREGORY J. SALUTE  
Supervising Deputy Attorney General



SUSAN MELTON WILSON  
Deputy Attorney General  
*Attorneys for Complainant*

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**Exhibit A**

**Accusation No. AC-2009-37**

1 EDMUND G. BROWN JR.  
Attorney General of California  
2 GREGORY J. SALUTE  
Supervising Deputy Attorney General  
3 SUSAN MELTON WILSON  
Deputy Attorney General  
4 State Bar No. 106902  
300 So. Spring Street, Suite 1702  
5 Los Angeles, CA 90013  
Telephone: (213) 897-4942  
6 Facsimile: (213) 897-2804  
E-mail: Susan.Wilson@doj.ca.gov  
7 *Attorneys for Complainant*

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17 **STUMP DAVIS GREENBERG**  
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Sole Owner  
19 8405 Pershing Drive, #301  
20 Playa Del Rey, CA 90293

21 Certified Public Accountancy  
Corporation No. 1607

22 Respondent.

**A C C U S A T I O N**

23  
24 Complainant alleges:

25 PARTIES

26 1. Patti Bowers (Complainant) brings this Accusation solely in her official capacity as  
27 the Executive Officer of the California Board of Accountancy, Department of Consumer Affairs.  
28

2. On or about December 4, 1981, the California Board of Accountancy issued Certified Public Accountant Certificate Number 33631 to Bolivar Eduardo Rodriguez (Respondent Rodriguez). The Certified Public Accountant Certificate was in full force and effect at all times relevant to the charges brought herein and will expire on March 31, 2010, unless renewed.

3. On or about January 20, 1981, the California Board of Accountancy issued Certified Public Accountancy Corporation Number 1607 to Stump Davis Greenberg Accountants Inc. (Respondent Corporation), with Bolivar Eduardo Rodriguez (Respondent Rodriguez) as sole shareholder of the corporation effective January 15, 1987. The Certified Public Accountancy Corporation was in full force and effect at all times relevant to the charges brought herein and will expire on January 31, 2011, unless renewed.

## JURISDICTION

4. This Accusation is brought before the California Board of Accountancy (Board), Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.

5. Section 5100 states:

"After notice and hearing the board may revoke, suspend, or refuse to renew any permit or certificate granted under Article 4 (commencing with Section 5070) and Article 5 (commencing with Section 5080), or may censure the holder of that permit or certificate for unprofessional conduct that includes, but is not limited to, one or any combination of the following causes:

• • •

"(c) Dishonesty, fraud, gross negligence, or repeated negligent acts committed in the same or different engagements, for the same or different clients, or any combination of engagements or clients, each resulting in a violation of applicable professional standards that indicate a lack of competency in the practice of public accountancy or in the performance of the bookkeeping operations described in Section 5052.

• • •

"(g) Willful violation of this chapter or any rule or regulation promulgated by the board under the authority granted under this chapter.

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2 6. Section 5062 of the Code provides that a licensee shall issue a report which conforms  
3 to professional standards upon completion of a compilation, review or audit of financial  
4 statements.

5 7. California Code of Regulations, title 16, section 58, provides that licensees  
6 engaged in the practice of public accountancy shall comply with all applicable professional  
7 standards, including but not limited to generally accepted accounting principles and generally  
8 accepted auditing standards.

9 8. California Code of Regulations, title 16, section 52, provides that  
10 "(a) A licensee shall respond to any inquiry by the Board or its appointed  
11 representatives within 30 days. The response shall include making available all files, working  
12 papers and other documents requested."

13 ...  
14 "(d) A licensee shall provide true and accurate information and responses to questions,  
15 subpoenas, interrogatories or other requests for information or documents and not take any action  
16 to obstruct any Board inquiry, investigation, hearing or proceeding."

17 9. Section 5107 states:

18 "(a) The executive officer of the board may request the administrative law judge, as part  
19 of the proposed decision in a disciplinary proceeding, to direct any holder of a permit or  
20 certificate found to have committed a violation or violations of this chapter to pay to the board all  
21 reasonable costs of investigation and prosecution of the case, including, but not limited to,  
22 attorneys' fees. The board shall not recover costs incurred at the administrative hearing.

23 FIRST CAUSE FOR DISCIPLINE

24 **(Gross Negligence and Repeated Negligent Acts)**

25 10. Respondent Rodriguez is subject to disciplinary action under Business and  
26 Professions Code section 5100, subsection "c" for unprofessional conduct due to his multiple acts  
27 of gross negligence and/or repeated negligent acts in failing to complete and file requisite  
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1 financial and tax documents in a timely manner for client Amalgamated Transit Union No. 1277  
2 for tax years 2000 through 2006 as follows:

3 A. At all times between 1979 and late 2007, Respondent was continuously engaged as  
4 the Certified Public Accountant (CPA) for Amalgamated Transit Union Local No. 1277  
5 ("Union"). He was discharged in late 2007. Respondent's failure to timely complete and file  
6 significant tax and financial documents on the Union's behalf for the tax years between 2000 and  
7 2006 was discovered by Union representatives after he was discharged.

8 B. As CPA for the Union, Respondent's responsibilities included but were not limited to,  
9 preparation of monthly financial reports (including balance sheet, statement of income and  
10 expenses, general ledger and revenue and expenditures statement) and bi-annual internal audit  
11 reports, and preparation and filing of all state and federal tax returns, including Internal Revenue  
12 Service (IRS) Form 990 (Return of Organization Exempt from Income Tax) and California  
13 Franchise Tax Board (FTB) Form 199 (California Exempt Organization Annual Information  
14 Return), and related filings of financial information required to bring the Union into compliance  
15 with state and federal law.

16 C. In or about April, 2007, the Union received a notice from the IRS requesting the  
17 filing of IRS Form 990 for the tax years 2000, 2001, and 2003. The notice was discovered by the  
18 Union's new CPA after Respondent was discharged in late 2007. Respondent was requested to  
19 provide these forms to the Union, but failed to do so. Respondent did eventually provide the  
20 2003 Form 990, but not the 2000 and 2001 Form 990.

21 D. The 2006 LM-2 report was the Union's first required annual filing with the United  
22 States Department of Labor (The Union became subject to the annual LM-2 report requirement  
23 by opening its membership to private sector employees). The due date for the report was March  
24 31, 2007. Despite numerous requests from the Department of Labor, Respondent failed to  
25 complete and file the report prior to his discharge. Respondent further failed to provide to the  
26 Union's new CPA all documents necessary to allow him to promptly complete and file the  
27 overdue 2006 LM-2 report, leaving the new CPA to prepare and file a report with prior year fixed  
28 asset balances and zero depreciation.

1 E. Respondent committed multiple acts of gross negligence and/or repeated acts of  
2 negligence during his engagement for the Union, as follows:

3 (1) Respondent failed to prepare and timely file IRS Form 990 for the tax  
4 years 2000, 2001, and 2003.

5 (2) Respondent failed to prepare and timely file Department of Labor LM-2  
6 report for the tax year 2006.

7 (3) After his discharge by the Union in late 2007, Respondent failed to  
8 respond to repeated requests from and on behalf of the Union to provide copies of financial  
9 documents and/or information needed for the Union's new CPA to complete and file the  
10 overdue LM-2 report.

11 SECOND CAUSE FOR DISCIPLINE

12 **(Failure to Comply With Professional Standards)**

13 11. Respondent Rodriguez is subject to disciplinary action under Business and  
14 Professions Code section 5062 and Title 16 of the California Code of Regulations, section 58, for  
15 unprofessional conduct, due to his failure to prepare financial reports which comply with  
16 professional standards in his work for client Amalgamated Transit Union Local No. 1277 for the  
17 month ended July 31, 2007, as follows:

18 A. Pursuant to its investigation of the Union complaint, Board investigators  
19 obtained a financial report prepared by Respondent for the month ended July 31, 2007, including  
20 a balance sheet and statement of income and expenses.

21 B. American Institute of Certified Public Accountants (AICPA) professional  
22 standards provide that when an accountant submits unaudited financial statements to his client  
23 that are not expected to be used by a third party, he should either : (1) issue a compilation report  
24 in accordance with reporting requirements or (2) document an understanding with the client  
25 through use of an engagement letter, preferably signed by management, regarding the services to  
26 be performed and the limitations on the use of those financial statements.

27 C. The July 2007 financial statements were not issued with a compilation report  
28 and the understanding of this service was not documented with an engagement letter.

1 THIRD CAUSE FOR DISCIPLINE

2 **(Failure to Cooperate With Board Investigation)**

3 12. Respondent Rodriguez is subject to disciplinary action under Business and  
4 Professions Code section 5100, subsection "g" and Title 16 of the California Code of  
5 Regulations, section 52, subsections (a) and (d) for unprofessional conduct, due to his failure to  
6 respond in a timely manner and with true and accurate information to Board inquiries related to  
7 Respondent's work for Amalgamated Transit Union Local No. 1277, as follows:

8 16 California Code of Regulations 52(a)

9 A. Respondent failed to provide a written response within 30 days to Board  
10 investigator's letters dated September 16 and 17, 2008, in which he was advised of allegations  
11 under investigation and asked to respond.

12 16 California Code of Regulations 52(d)

13 B. In telephonic communications with a Board Investigator on October 3 and 15,  
14 2008, Respondent stated that he would be providing the Union with the IRS Form 990 for the tax  
15 years 2000 and 2001. More than six months later, at the time the investigation was completed  
16 (May 29, 2009). Respondent had not provided the missing documents to the Union. Respondent  
17 thus provided untrue and inaccurate information in response to the Board's inquiry.

18 PRAYER


19 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,  
20 and that following the hearing, the California Board of Accountancy issue a decision:

- 21 1. Revoking or suspending or otherwise imposing discipline upon Certified Public  
22 Accountant Certificate Number 33631, issued to Bolivar Eduardo Rodriguez;
- 23 2. Revoking or suspending or otherwise imposing discipline upon Certified Public  
24 Accountancy Corporation Number 1607, issued to Stump Davis Greenberg Accountants Inc.
- 25 3. Ordering Bolivar Eduardo Rodriguez and Stump Davis Greenberg Accountants Inc.  
26 to pay the California Board of Accountancy the reasonable costs of the investigation and  
27 enforcement of this case, pursuant to Business and Professions Code section 5107;
- 28 4. Taking such other and further action as deemed necessary and proper.



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DATED: MARCH 22, 2010



PATTI BOWERS  
Executive Officer  
California Board of Accountancy  
Department of Consumer Affairs  
State of California  
*Complainant*

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